

**MINUTES OF THE  
COMMERCE AND WORKFORCE SERVICES  
APPROPRIATIONS SUBCOMMITTEE**  
Room W325, House Building, State Capitol Complex  
September 25, 2008

**MEMBERS PRESENT:** Sen. Jon Greiner, Co-Chairman  
Rep. Michael Morley, Co-Chairman  
Sen. Mark Madsen  
Sen. Karen Mayne  
Sen. Wayne Niederhauser  
Rep. Sylvia Andersen  
Rep. Craig Frank  
Rep. Lynn Hemingway  
Rep. Mark Wheatley  
Rep. Larry Wiley

**MEMBERS ABSENT:** Rep. Jim Dunnigan

**STAFF PRESENT:** Danny Schoenfeld, Fiscal Analyst  
Karen Mitchell, Committee Secretary

**Note:** A list of handouts and visitors lists will be filed with committee minutes.

Co-Chair Sen. Greiner called the meeting to order at 10:51 a.m.

Danny Schoenfeld, Fiscal analyst, presented the budget over-view of the 3% cuts in the revenue short fall for each agency under the jurisdiction of this committee. Under the jurisdiction of the Governor's office and the Fiscal Analyst, each department had been notified of the 3% cut proposals. He briefly explained the handouts that had been provided.

Sen. Greiner turned the time over to each of the Departments to discuss their proposed budget cuts.

**Department of Alcoholic Beverage Control**

Dennis Kellen, Director, was excused from the meeting. John Freeman, Deputy Director, assisted by Leonard Langford, Director of Finance, explained that one of the cuts suggested, "Reduction in Store Hours" would mean a 1.6 million reduction in contribution funds to the General Fund. One area they felt they could cut would be in the EASY / Parents Empowered advertisement programs. This advertising would not be eliminated but rather replaced with Public Service Announcements. Mr. Langford further supported the information provided by Mr. Freeman stating that in reducing store hours it would cost the state more than it would save.

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Mr. Freeman responded to questions asked by the committee.

### **Utah State Office of Rehabilitation**

Don Uchida, Executive Director, stated that the reduction in Case Service Budget could be covered with one time federal money.

### **Department of Commerce**

Francine Giani, Executive Director, assisted by Peter Anjewierden, Budget Officer, presented their proposal to the committee stating there were several areas in which funding cuts could be taken. The Independent Contractor Data Base was one area they specifically mentioned and discussed as a reduction area from the additional 1 % reduction.

### **Labor Commission**

Sherrie Hayashie, Labor Commissioner, assisted by Dave Lamb, Director of Finance, proposed reductions could come from their Industrial Accidents Division, Broiler and Elevator Safety Division, and Office Wide Administration Division. An additional area of reduction could come from cost savings in the newly opened Coal Mine Safety Office. Mr. Lamb further explained their funding revenues and basis for further reductions in their departments.

### **Department of Insurance**

Doyle Christensen, Director of Administrative Services, stated that reductions had been made by freezing out of state travel, and position replacements.

### **Workforce Services**

Kristen Cox, Executive Director, and Bill Greer, Chief Financial Officer, explained that when the economy is down the case loads in their department increase. Ms. Cox further stated that TANF money could be used to replace funding loses without impact on their critical areas such as Child Care.

Sen. Greiner thanked the Department Heads for their presentations and asked the committee to ponder the facts presented.

MOTION: Rep. Hemingway moved to recess. The motion passed unanimously.

Sen. Greiner recessed the meeting at 11:54 a.m.

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Session reconvened at 2:45 p.m.

Sen. Greiner called the meeting to order. Questions and comments from the committee regarding the morning session 3% budget proposals were heard.

MOTION: Sen. Niederhauser moved to accept the 3% budget proposal as presented in the morning session.

The motion passed unanimously. Sen. Madsen was absent for the vote.

The Fiscal Analyst presented the additional 1% ongoing cut options as well as one-time off-set funds for fiscal year 2009. (See attached)

Each Department was given the opportunity to present the opinions of the 1% cuts.

MOTION: Sen. Mayne moved to fund 23 FTE's for the Alcoholic Beverage Commission in the amount of \$834,000.

The motion passed unanimously.

MOTION: Rep. Frank moved to accept the 1% cuts as presented by the Analyst.

SUBSTITUTE MOTION: Rep. Wiley moved to accept the 1% cuts as presented to the committee with the flexibility to have the Department Heads make modifications and understand what their budget targets are.

The motion passed unanimously.

MOTION: Rep. Morley moved to accept the Workforce Services General Fund One Time reductions with the DWS Restricted Special Administration Fund for \$13 million.

The motion passed unanimously.

MOTION : Sen. Greiner moved to adjourn.

The motion passed unanimously. Sen. Greiner adjourned the meeting at 3:54 p.m.

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Sen. Jon Greiner, Co-Chair

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Rep. Michael Morley, Co-Chair

